

HOUSE BILL REPORT

HB 1572

As Passed Legislature

Title: An act relating to failure to pay small claims judgments.

Brief Description: Increasing small claims judgments upon failure to pay.

Sponsors: By Representatives Kirby, Newhouse, Moeller, Campbell, Fromhold, Hinkle and Condotta.

Brief History:

Committee Activity:

Judiciary: 2/14/03, 2/25/03 [DP].

Floor Activity:

Passed House: 3/10/03, 95-0.

Floor Activity:

Passed House: 2/6/04, 97-0.

Passed Senate: 3/4/04, 47-0.

Passed Legislature.

Brief Summary of Bill

- Requires the court to add the costs of enforcing the judgment, including reasonable attorney's fees, to a small claims judgment when the losing party fails to timely pay the judgment.

HOUSE COMMITTEE ON JUDICIARY

Majority Report: Do pass. Signed by 9 members: Representatives Lantz, Chair; Moeller, Vice Chair; Carrell, Ranking Minority Member; McMahan, Assistant Ranking Minority Member; Campbell, Flannigan, Kirby, Lovick and Newhouse.

Staff: Trudes Tango Hutcheson (786-7384).

Background:

Small claims court is a department within the district court. The small claims court has jurisdiction over cases if the amount in controversy does not exceed \$4,000. Proceedings in small claims court are informal. The judge may consult witnesses, investigate the controversy, and give judgment or make orders that the judge finds equitable.

If a monetary judgment is entered in small claims court, the debtor must pay the prevailing party either at the time the judgment is entered or pursuant to a court-approved payment plan.

If the losing party fails to pay the judgment within 30 days or within the period of the payment plan, the court must increase the judgement by the cost of certifying the judgement and the filing fee.

The prevailing party may have the court certify the judgment and enter the judgment on the docket in the district court. Once certified and entered on the docket, the judgment may be enforced like any other judgment on the docket.

Summary of Bill:

When the losing party in small claims court fails to pay the judgment within 30 days or the time allowed by the court, the court must increase the judgment by the costs incurred by the prevailing party to enforce the judgment, including reasonable attorney fees. This is in addition to the costs to certify and file the judgment.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: People who get small claims judgments are frustrated at trying to collect from the debtor. Collection can take years. This bill allows a prevailing party to recover the costs of collecting, including the costs of getting an attorney to help enforce the judgment.

Testimony Against: None.

Testified: Representative Kirby, prime sponsor; and Brett Buckley, Washington District and Municipal Court Judges Association.